

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Annual Compliance Report, 2017

Docket No. ACR2017

CHAIRMAN'S INFORMATION REQUEST NO. 10
AND NOTICE OF FILING UNDER SEAL

(Issued January 26, 2018)

To clarify the basis of the Postal Service's FY 2017 Annual Compliance Report (ACR), filed December 29, 2017,¹ the Postal Service is requested to provide written responses to the following questions. Answers should be provided to the individual questions as soon as they are developed, but no later than February 2, 2018.

Competitive Domestic Negotiated Service Agreements (NSAs)

1. The Postal Service appends to certain NSA contracts an "Appendix to Shipping Services Contract" that, among other things, governs what the Postal Service describes as "Marketplace Requirements."² The details of such appendices vary.³ Please provide a narrative explaining:
 - a. the function of such appendices

¹ United States Postal Service FY 2017 Annual Compliance Report, December 29, 2017.

² See, e.g., Docket No. CP2016-150, USPS Notice of Amendment to Priority Mail Express & Priority Mail Contract 29, Filed Under Seal, January 19, 2018, Attachment A at 3-9.

³ Compare, e.g., Docket Nos. MC2018-110 and CP2018-152, USPS Request to Add Priority Mail Contract 415 to Competitive Product List and Notice of Filing Materials Under Seal, December 28, 2017, Attachment B at 9-14 with Docket Nos. MC2018-107 and CP2018-149, USPS Request to Add Priority Mail Contract 412 to Competitive Product List and Notice of Filing Materials Under Seal, December 27, 2017, Attachment B at 10-16.

- b. the extent to which the specific terms of such appendices vary
 - c. the benefits to the Postal Service of including such appendices
 - d. the methods by which the Postal Service measures whether such benefits accrue as a result of the inclusion of such appendices
 - e. the methods by which the Postal Service monitors customers' compliance with the terms of such appendices
- 2. Please see Attachment, filed under seal.
 - 3. Please see Attachment, filed under seal.
 - 4. Please see Attachment, filed under seal.
 - 5. Please see Attachment, filed under seal.

International Mail

- 6. Please refer to Library Reference USPS–FY17–NP2, December 29, 2017, folder “ICRA Core Files,” file “Reports (Unified).xls,” tab “B Pages (md),” row 32 and Library Reference USPS–RM2017–6/NP1,⁴ June 8, 2017, folder “Prop2.NP1.ICRA.Target.Trans,” sub-folder “Proposal,” file “Copy of Reports (Unified) Proposed.xls,” tab “B Pages (md),” row 32. Please identify and discuss the factors that increased processing, delivery, and other costs for Inbound Letter Post in FY 2017.
- 7. Please refer to the response to Chairman’s Information Request No. 3, question 9.⁵ Please clarify the cost and contribution impact of this response on the

⁴ This library reference contains revised FY 2016 cost and revenue data for Inbound Letter Post using the methodology approved in Docket No. RM2017-6.

⁵ Responses of the United States Postal Service to Questions 1-15 of Chairman’s Information Request No. 3, January 19, 2018, question 9 (Responses to CHIR No. 3).

product-level data in Library Reference USPS–FY17–NP2, folder “ICM Costing,”
Excel file “NSA Summary (Unified).xlsx.”

By the Chairman.

Robert G. Taub